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AUTHOR Nelson, James E.
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ABSTRACT

Although two-year institutions enroll over 25 percent of all full-time college students and over 53 percent of all first-time full-time freshmen from families with incomes of less than $10,000, they receive less than 16 percent of United States Office of Education student loan funds, and a similar percentage of Basic Educational Opportunity Grants. This document presents two possible reasons why disproportionate aid is awarded to community college students: (1) the common belief that community college education is free, and that students do not, therefore, need financial assistance; (2) the argument that money should be available through employment, a spouse's employment, or other resources, since more than half of community college students attend school on less than a full-time basis. These reasons are refuted, and a method of revamping the student financial aid system in the community college is suggested, focusing on the hiring of a skilled financial aid administrator, and a trained financial aid staff. Finally, the author reasserts the need for student financial aid in the community college. (NHM)

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STUDENT AID AT THE TWO-YEAR COLLEGE: WHO GETS THE MONEY?

James E. Nelson, Vice President
for Student Assistance Services
College Entrance Examination Board

Last year the Washington Office of the College Board published a study by the Director of that Office, Larry Gladieux, titled "Distribution of Federal Student Assistance: The Enigma of the Two-Year Colleges." That study, which also was reported in the Summer 1975 issue of the College Board Review, examined the distribution of federal funds under the three USOE campus-based student aid programs, found that the two-year colleges' level of participation in these programs was disproportionately low.

Two-year institutions, both public and private, received less than 16 percent of the funds from these USOE programs even though they enrolled over 25 percent of all full-time students and over 53 percent of all first-time, full-time freshmen from families with incomes of less than $10,000. A similar trend appears to be developing in the federal Basic Educational Opportunity Grant Program. Unpublished data from a study being conducted by the College Board for the Office of Education indicates that community colleges have a higher percentage of students potentially eligible for Basic Grants than do four-year colleges, but that they have a much lower percentage of potentially eligible students actually participating in the program. Only 31 percent of the community college students who appear to be eligible for Basic Grants received a grant last year, compared with 43 percent of potentially eligible students at the public

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four-year institutions reporting Basic Grant assistance. Thus the enigma: How can the underparticipation of two-year colleges--and their students--in federal financial aid programs be explained?

The College Board's Washington Office report suggests two factors. First, many two-year institutions simply do not apply for participation in the campus-based programs. In 1974-75 nearly 20 percent of the accredited two-year institutions did not apply for funds from the SEOG program, more than 40 percent did not apply for NDSL funds, and more than 12 percent did not apply for College Work-Study money. Second, those two-year institutions that do participate appear to be asking for less money than their students actually need. Since it does not appear that the procedures of the programs themselves discriminate against the participation of two-year institutions, the explanation for underparticipation seems to rest with the institutions themselves.

I would like to focus this presentation on two reasons why financial aid at the community colleges remains a puzzle and to suggest one way of eliminating the enigma.

One reason for underparticipation in federal aid programs is the continuing misperception that community college education is free--or nearly free--and that, therefore, students do not need financial assistance. Because the levels of direct institutional charges for tuition and fees are generally very low, it is assumed that students can continue to live at home as they did during high school, commute to classes, and attend without spending any more money than they did during high school. No one thinks that large numbers of students need financial

aid to attend community high schools, so why should students need financial aid to attend community colleges?

Substantial evidence indicates that although the vast majority of students in two-year public colleges do commute to the institution from residences in the community, the majority no longer live with their parents. A study of students in postsecondary institutions conducted by the Bureau of the Census in the fall of 1974 showed that more students in two-year colleges than four-year colleges are older (42 percent over age 21 compared to 14 percent in the first two years of four-year colleges), married (30 percent compared to 15 percent), and independent of support from their parents. More than 60 percent of students at two-year colleges were independent of support from their parents compared to 20 percent in the first two years of four-year colleges. For these older, married, and independent students, the cost of maintaining a residence (and the absence of a contribution from their parents) makes attendance at a two-year college a relatively expensive activity. And this of course does not even account for income that is forgone by these individuals.

Among dependent community college students, 31 percent were from families with incomes of less than $10,000, as compared with only 19 percent of those in the first two years of a four-year college. Even for these dependent students who live at home, community college education is not free. The national average expense budget reported by public two-year colleges for students who live at home with their parents and commute to classes for the current academic year was $2,058, with less than 15 percent of that budget for tuition and fee charges. It is encouraging to

note that the perception of education as "free" at the community colleges is changing. The average budget reported by the institutions for the 1975-76 academic year is nearly 70 percent higher than that reported for 1970-71. I suggest that this reflects not only real increases in costs--which certainly have occurred over the last six years--but also a greater understanding and acknowledgement on the part of the institutions of what it really costs a student to attend college. A large part of the change may be due to better reporting of real education-related costs.

The second reason for underparticipation in student aid is based on beliefs difficult to refute. More than half of the students enrolled in community colleges attend on a less-than-full-time basis, and it is argued that the part-time student simply does not need financial assistance to attend because money is available through employment, a spouse's employment, or other resources.

As a matter of fact, however, the part-time student in the public two-year institution does not have significantly lower expenses than does the full-time student. The part-time student must still pay tuition and fees (and at nearly 60 percent of institutions must pay at a higher rate per unit than the full-time student), buy books, pay room and board, travel, and have some recreation. The difficulty is in determining the proportion of these expenses which are "directly related" to the part-time student's education.

The regulations promulgated by the Commissioner of Education for the determination of part-time student eligibility for Basic Grants provide that the maintenance expense allowances of part-time students be the same as those for full-time students in recognition of the fact

that the expenses of a part-time student that are related to education are the same as those for the full-time student. Without commenting on the appropriateness of the amounts of the BEOG allowances, the regulations at least clearly recognize the principle of equal treatment for part-time students.

There are instances where the expenses of part-time students are different from full-time students, but these differences are generally the result of factors other than course load. Most institutions recognize that the expenses of independent students are different from those of dependent students, that expenses of married students exceed those of single students, and that expenses of older students are different from those of younger students. There is no reason why the expense differences caused by these personal student characteristics should not be recognized whether the student studies full time or part time.

But what about the ability of the part-time student and family to contribute toward educational expenses? Data from the Bureau of the Census indicates that the part-time student typically comes from a less affluent family than does the full-time student. The median family income of the part-time student appears to be about $1,300 lower than that of the full-time student. In 1972 more than 53 percent of the students from families with incomes of less than $7,500 attended college on a part-time basis, as compared with only 42 percent of the students from families with incomes of more than $15,000.

The American Council on Education Committee on the Financing of Higher Education for Adult Students observed that "...far from being affluent and not worthy of student assistance, the part-time student...

is often a low-paid working person who is attending school to advance himself." The ACE study summarized the needs of the part-time student by saying "...regardless of family income, part-time students on the whole are massively discriminated against in federal and state student aid programs, social security benefits, institutional tuition rates and financial aid programs, and income tax requirements. Equality in financing postsecondary education can only be achieved when part-time students, who constitute a majority of the postsecondary student body, share eligibility with full-time students...."

We sorely need a revamping of our student financial aid system--and the resources to go with it--so that students can be assured of long-range opportunities for education regardless of age or enrollment status. But, as pointed out by the National Advisory Council on Continuing and Extension Education, even equitable "...eligibility for federal financial assistance does not mean parity of access to this assistance." And that brings me to my simplistic solution to the enigma of financial aid at the community college, and to the most subjective part of this presentation.

In my opinion, the most critical factor in the successful administration of student aid in postsecondary education is the skill of the person responsible for the administration of the programs and the confidence placed in him or her by the senior officials of the institution. Without a skilled financial aid administrator who is recognized by the institution and listened to by the deans and chief executive officers, financial aid will not get to the students for whom it is intended in an orderly, fair, and productive way.

Financial aid is big business, not only in the amount of money it involves but in the administrative complexities of the programs. The administration of aid is not simply a bookkeeping matter of assigning money to students and seeing that it is paid to them according to the rules. Administration of aid requires a complex interaction of counseling, personnel administration, business administration, research, and evaluation, as well as aggressive pursuit of aid resources. Successful aid administration requires highly competent personnel. It also requires overall aid office employee levels adequate to do the work required.

Absence of sufficiently trained administrators and adequate numbers of support staff members may provide an explanation for a large part of the enigma of financial aid at the two-year colleges. Without well-trained, adequate staffs, community colleges may be unable to expand their participation in the available federal student aid programs. The College Board Washington Office report postulates that understaffing of aid offices may be one of the reasons for underparticipation by two-year colleges and may be the main reason for underparticipation by their students.

The Board of Governors of the California Community Colleges recently conducted a survey of the staffing of financial aid offices at the 100 colleges under their supervision. They found that only 24 percent of the institutions had assigned a director of student aid with no other job responsibilities--and that at 54 percent of the institutions the "aid director" had two or more other administrative responsibilities.

Only 14 percent of the responding institutions believed that they had staff adequate to perform financial aid functions in an adequate manner. The average number of employees, including both professional and clerical, in the financial aid offices of these institutions was three--serving an average student body of 10,000 students. In the College Board publication, A Design For a Model College Financial Aid Office, the author, William Van Dusen, suggests that the minimum level of staffing appropriate for an institution of such size would be ten professional and clerical personnel, with eight half-time assistants. At 76 percent of the California Community Colleges in the study, students made up the majority of the employees. It is not surprising that the staff of the Board of Governors observed that "support staff for college financial aid offices and job classifications of the financial aid administrators represent two major problems in the administration of student financial aid funds. District commitment as reflected by adequate staffing and facilities for student aid programs is essential if community colleges are to meet the needs of low-income students...."

In the past I have found that California is not typical of the rest of the country, but I suspect that the staffing problems of two-year institutions in other states are also serious. Other studies have found that the problem of staffing the financial aid office has been and continues to be one of the most crucial and one of the least easily resolved. One of the reasons for financial aid offices being understaffed is the failure of Congress to fund the authorized program of support to institutions for students receiving aid. But other reasons have to be

the failure of some institutions to recognize the need for larger staff and the resistance of other institutions to accept student services into the "mainstream" of educational offerings. Some aid offices, knowing that additional staff will not be forthcoming, deliberately understate their requests for aid funds rather than to add to already impossible workloads.

Perhaps the most difficult institutional attitude of all to counter is that represented by the following question. With more students ready and willing to enroll than we can possibly handle, why should we even worry about an expanded student financial aid staff and program? After all, community college enrollments grew by more than 15 percent last year without additional student aid, and economic conditions are forcing curtailment or limits on enrollments for many of us.

I try to respond in the following ways. First, student aid programs exist to help the very students you serve and educate in large numbers. Many of your enrolled students attend college under conditions of financial sacrifice and pressure that could be relieved with a full program of student aid. And fewer of them would have to drop out or fall short of their potential and educational objectives if their financial needs were recognized and met. Do you really know the needs of your students?

Second, and just as important, we do have a responsibility to recognize and to do something about the needs of those who want to participate in postsecondary education but who do not because of financial reasons. In a survey conducted by the National Commission on Non-Traditional Study in 1972, more than 56 percent of adults with interest in more education said that basic costs, including books, learning materials,

child care, transportation, as well as tuition and fees, kept them from learning what they wanted and needed to learn. Access to post-secondary education depends on much more than low tuition and an open admissions door--financial assistance is essential. Projections for the future indicate that community colleges, too, will face declining enrollments unless plans are implemented to assure maximum access.

And third, student financial aid is--and will continue to be in the years ahead--by far the largest component of federal support of post-secondary education. Even with all of the proposed administration cut-backs and recisions in the budget for education, student aid makes up 90 percent of the higher education funds administered by the Office of Education. Federal support will remain primarily that of helping institutions through aid to the students that they enroll.

So I urge you as leaders of community colleges to assure that there are enough well-trained professional and support staff members in your financial aid offices to know the needs of your students, to develop and administer sound programs, to aggressively pursue your share of resources, and to assure that the students who enter your colleges do not leave for financial reasons.

But I urge you to do one more thing--listen to and work with the people that you charge with the administration of student aid. In the 1974-75 academic year they administered nearly $100 million of federal student aid money in addition to the monies allocated to your institutions by state, district, and private sources. A growing percentage of institutional budgets flows through the aid office, and some institutions are finding that additional staff more than recover their salaries with

the resources that they are able to bring to the college through serving needy students.

The efforts of your aid office will have major implications for the numbers and characteristics of students who enroll in your institutions and, perhaps more important, on those who are able to remain in your institutions until they reach their educational objectives. Administrators of programs of that size with that impact on your institutions deserve to be heard in the policy-making bodies you control.

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